P.W. (1945) Department

M. SERIES.

G.O. No.	2380
Dated	12.9.1945

[Despatch Abstract.]

Electricity. Kottayat Panchayat Board Electrical Undertaking. War conditions surcharge. Levy of. Orders issued

Government of Madras
Public Works Department
2143
Abstract

Electricity - Kollegal Panchayat Board - Electrical Undertaking - Revised Estimate for 1944-5 and Budget Estimate for 1945-6 - Recorded.

V-V-V-

improvement of the financial position of the Panchayat Board Electrical undertaking, Kollegal, are awaited.

(By Order of His Excellency the Governor)

K.Ramanni Menon,
Secretary to Government

To the Executive Officer, Kollegal Panchayat Board,
through the President, District Board, Coimbatore
To the Examiner of Local Fund Accounts.
To the Chief Electrical Inspector to Government.
Copy to E. (Section)

True Copy/Forwarded/By Order.

Put up
May lie over till 10.7.45 pending the receipt of further report from the P.Bd.

T.V. Narasimha
Superintendent.

Ch. Spec.

5/12/11 RK
Ly/12/11

ii mo No. 2143 E/45- 1 dt 11-7-45.

Electricity — Kollegal Panchayat Board — Electrical undertaking — Improvements to financial position

Ref:- Gr. Rt No 955 P.W. dated 17-5-45

The attention of the Executive Officer, Kolleg Panchayat Board is invited to para 2 of

G.O Rt No 955 P.W. dt 17-5-45 and he is requested to state when his proposals regarding the improvements of the financial position of the Panchayat Board Electrical undertaking, Kollegal, may be expected.

Rtm
6/7/45

6/7/45

SK

DNO
6/7/45

The Executive Officer
Panchayat Board
1 Kollegal.
Thro P.D.B. Coimbatore

Local Administration Department.

From
Sri A. Sundaram,

To
The Secretary to the Government of Madras,
Public Works Department
Through the Chief Electrical Inspector to Govt. Madras
& President, Panchayat Board, Kollegal.

No. 1097-E/45 Dated 21st July 1945.

Sir,

Sub: Electricity - Kollegal Panchayat Board - Electrical Undertaking - Improvements to financial position.

Ref: Govt. Memorandum No. 2143 E/45-1 dated 11-7-45

I beg to state that the proposals regarding improvements of the financial position of the Panchayat Board Electrical Undertaking have already been submitted to Government through the Chief Electrical Inspector to Government, Madras in this office letter No. 732-E/45 dated 5-5-45.

I request that sanction may kindly be accorded for the increase of war condition surcharge on certain categories of load and for connecting up fresh services as already requested for in this office reference mention in para 1 above.

Copy submitted direct.

Forwarded.
B. Ramaiah
President,
Panchayat Board, Kollegal.
23/7/45

P.W.D

The C.E.I-G's report may be awaited till 10-8-45.

24/7/45 [illegible] 24/7/45

Office of the
Chief Electrical Inspector to Government.
Chepauk, Madras.

Endorsement No.6237-M/43-6 dated 27-7-45.

2802E
6845 3150

Sub: Electricity - Kollegal Panchayat Board - Electrical undertaki
— Improvement of financial position.

Ref: No.1097 E/45- dated 21-7-45 from the Executive
Kollegal Panchayat Board to the Secretary to Government,
P.W.D. through C.E.I.G.

Forwarded.

2. The Executive Officer's letter No.732-E/45 dated 5-5-45 w
sent with this office Endorsement No.6237/M/43-5 dated 20-6-45
through the Chief Engineer for Electricity.

Chief Electrical Inspector
to Government.

To The Secretary to Government, Public Works Department, Madr

Encls: 1.

CS.30.7.45.

Local Administration Department.

From
Sri A. Sundaram,

To
The Secretary to the Government of Madras,
Public Works Department
Through the Chief Electrical Inspector to Govt. Madras
& President, Panchayat Board,
Kollegal.

OFFICE OF THE CHIEF ELECTRICAL INSPECTOR TO GOVERNMENT.
75321 Section.
26 JUL 1945

No. 1097-E/45 Dated 21st July 1945.

Sir,

Sub: ~~Electricity~~ - Kollegal Panchayat Board - Electrical Undertaking - Improvements to financial position.

Ref: Govt. Memorandum No. 2143 E/45-1 dated 11-7-45

I beg to state that the proposals regarding improvements of the ~~x~~ financial position of the Panchayat Board Electrical Undertaking have already been submitted to Government through the Chief Electrical Inspector to Government, Madras in this office letter No. 732-E/45 dated 5-5-45.

I request that sanction may kindly be accorded for the increase of war condition surcharge on certain categories of load and for connecting up fresh services as already requested for in this office reference mention in para 1 above.

Copy submitted direct.

Forwarded.
K. Parvatha Rao's
23/7/45
President,
Panchayat Board, Kollegal.

GOVERNMENT OF MADRAS.

Abstract.

Electricity - Kollegal Electric Licence - Revised Budget Estimate for 1944-45 and Budget Estimate for 1945-46 - Recorded.

PUBLIC WORKS DEPARTMENT.

G.O.No.1715, dated 4th August 1945.

Read the following: --

From the Executive Officer, Kollegal Panchayat Board, No. 732-E/45 dated 5-5-'45.

From the Chief Electrical Inspector to Government, No. 6237-H/ 43-5 dated 20-6-'45.

From the Chief Engineer for Electricity, No. ~~3843-G/39~~, 38349/43 dated 17-7-'45.

O R D E R:

Recorded.

2. As regards the proposals of the Panchayat Board, Kollegal to improve the financial position of its electrical undertaking, orders will be issued separately.

(By order of His Excellency the Governor)

K. Raghunni Menon,
Secretary to Government

To----

To the Executive Officer, Panchayat Board, Kollegal through the President, Panchayat Board, Kollegal.
To the Examiner of Local Fund Accounts.
The Chief Electrical Inspector to Government.
To the Chief Engineer for Electricity.

Copy to E' Station

? rue Copy/Forwarded/By order.

17/2/9

DRAFT FOR APPROVAL.

	Date.	Initials.
When received for fair copying ..		
When copied ..		
When examined..		
When signed ..		
When despatched.		

SUBJECT :— Electricity - Kollegal Panchayat Board Electrical Undertaking War Condition Surcharge - Levy of orders issued.

READ AGAIN G.O. Ms. 450 P.W., dated 15.2. 19 44
" " " R. 955 P.W. " 17.5. 19 43
READ ALSO :— R 1713 P.W 14, 8. 1943

From No. 21431 From : the C.E.D.C. , No. 62377/43 dated 20.6 19 43
" " C.E. (E) " 38340/43 17.7 19 43
" " " " 19

Order ~~Resolution~~ Ms. No. 2380, dated 12.9

In exercise of the powers conferred by rule 81 of the Defence of India Rules, His Excellency the Governor of Madras hereby makes the following Order and with reference to sub-rule (1) of rule 119 of the said Rules hereby directs that notice of this order shall be given by publication in the Fort St. George Gazette.

1. (1) This Order may be called the Kollegal Panchayat Board Electrical Undertaking War Condition Surcharge Order, 1943.

(2) It shall come into force at once and shall remain in force until further orders.

(3) It extends to the whole of the area served by the Kollegal Panchayat Board Electrical Undertaking.

2. Unless there is anything repugnant in the subject or context, words and expressions used in this Order and defined in the Indian

Electricity Act, 1910, shall be deemed to have the meanings respectively attributed to them by that Act.

3. The Kottayam Panchayat Board Electrical Undertaking shall levy a surcharge of ~~one~~ five per cent on the price of all supplies of energy in respect of which the payments are ~~not~~ due on or after the Commencement of This Order to compensate for the drop in revenue and increase in expenditure due to all or any of the following causes

1. Restrictions in hours of working of power plant, quota restrictions in bulk supply, rationing of consumption and other restrictions; higher cost of stores, spares, lubricating oil and stores and higher cost of labour and wages allowance

4. This surcharge shall be excluded for the purpose of assessing or levying duty under the Madras Electricity Duty Act, 1939

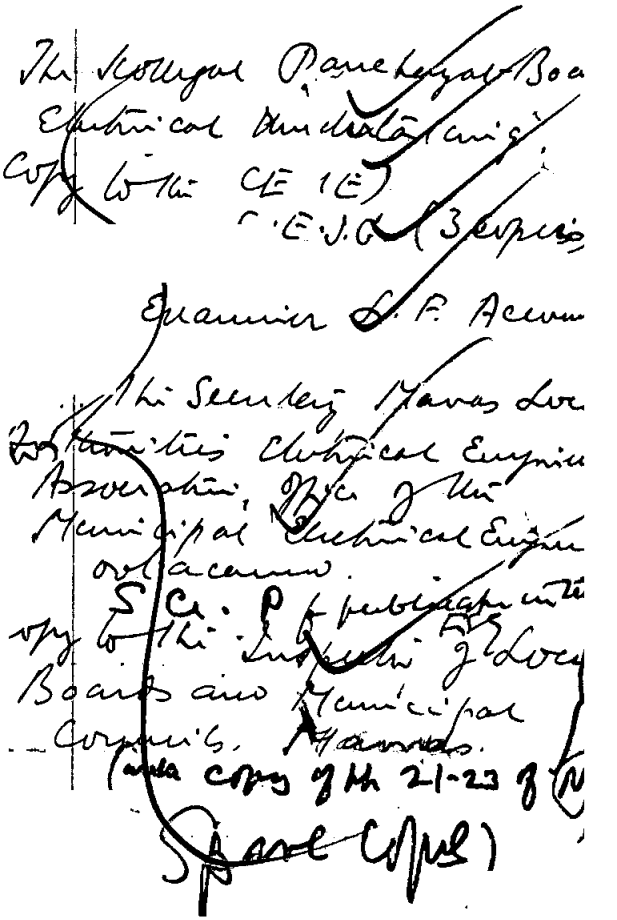
5. This Order shall not apply to bills for energy supplied for bona fide agricultural purposes.

6. On and from the Commencement of This Order, the Kottayam Panchayat Board Electrical Undertaking shall not levy any surcharge permitted to be levied by the Chief Electrical Inspector to Govt. according to G.O. Ms. 450 P.W. dt. 30-4-1947

(F)

7. During the continuance of this Order shall not be lawful for the Nellegal Panchayat Board Electrical Undertakings to supply energy at prices other than those specified at the rate mentioned in Clause 3.

8. Save as provided in Clause 5, the provisions of this Order shall apply notwithstanding anything contained in any other law or in any licence granted under the Indian Electricity Act, 1910, or any contract or requisition for the supply of energy or in any contract covering the maintenance of street lighting equipment



Subject:- Electricity - Kollegal Electric Licence - Financial position of the undertaking - Proposals for improvement.

AB Please see para 2 of the G.O. at pp. 1-2 c.f. and para 2 on page 11 c.f. in regard to the improvement of the financial position of the Kollegal electrical undertaking. Attention is also invited to the Executive Officer's letter at pages 1-3, the C.E.I.G's remarks at pages 21-22 and the C.E.I.G.'s endorsement at page 23 of G.O. Ms. 1713, P.W., dated 4-8-1945. The following two proposals have been made by the licensee for improvement of the financial position of the undertaking :--

(1) Enhancement of the 25% War condition surcharge on supplies to power consumers, small power consumers (Refrigerators, small domestic pumps etc.) and mixed load of lighting and power, e.g. cinemas, to 100%.

(2) Providing connection to 30 more metered services and 100 flat rate service under a special permit from Government.

The C.E.I.G. does not consider either of the proposals acceptable.

2. In G.O.Ms. 450, P.W., dated 15-2-1944 the Government permitted the licensee to levy a 25% war condition surcharge on the price of all supply of energy made by the licensee, the balance of deficit in the working of the undertaking being met by the Panchayat Board by provision of funds. The C.E.I.G. then recommended the levy of 40% surcharge, but the orders in circulation restricted the rate to 25% which was in accordance with the request of the licensee. It was then left to the licensee to ask for additional relief if necessary. The licensee now requests sanction for the levy of 100% surcharge on particular tariffs in view of the unsatisfactory financial position of the undertaking but the C.E.I.G. recommends the grant of 55% surcharge over all supplies except for agricultural purpose and the C.E.(E) has endorsed the proposed increase.

It has been dicided that the criterian to be adopted in fixing the rate of war condition surcharge should be :-

(1) when a surcharge within the maximum limits of 25% in thermal areas and 15% in hydro electric areas prescribed in G.O. 2408, P.W., dated 9-11-43, can secure a 4% return on the total share capital, it may be allowed irrespective of the pre-war return and

(2) if, with the maximum 25% or 15% referred to above, the 4% return is not reached the surcharge may be further increased, the limit to which it may be so increased being such as would yield the pre-war return or 4% whichever is less. (3) In the case of local body undertakings the surcharge should be such as to enable the undertaking to meet the operation and maintenance expenditure and the payment of annuity in full.

After examining the revenue and expenditure budget of the undertaking for 1944-45 and 1945-46 the C.E.I.G. states that the levy of 55% surcharge recommended by him will enable the licensee to meet his operation and maintenance expenses in full. In recommending this increased rate of 55% surcharge the C.E.I.G. has not taken int account the expenditure on payment of annuity and purchase of spare parts of engines provided for in the R.E. for 1944-45, but not incurred in that year and proposed to be incurred during 1945-46. He, however, suggests that that expenditure on the above items may be met by a loan from the General Funds of the Panchayat Board. The recommendation of the C.E.I.G. does not fully satsify the criterion mentioned at 'Z' above as the proposed rate of War Condition surcharge is not to provide for the payment of annuity in full but only the operation and maintenance expenditure. It is for orders whether the increased rate of 55% suggested by the C.E.I.G., instead of 25% now in force will be allowed.

3. Connection of new services. The Executive Officer of the Panchayat Board has proposed that fresh service connections should be allowed. Fresh services are allowed for supply of power for essential purposes and permits for such supply have to be issued under the restriction and control orders. As similar proposals from other licences have not been allowed for the reasons mention

above, the C.E.I.G. does not recommend the proposal in this case also. This may be accepted

5. L.A.D. may see. For Orders.

A.M.S.

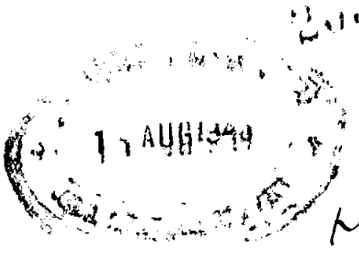
16/8/45

16/8/45

L.A. Dept
A

G. 2143 E/45-2
16.8.45

2013



Please see the note of P.W.D on Pt 1-3 above. P.W.D have proposed to accept the recommendation of the C.E.I.G. in paras 5 and 7 of his letter dt 20-6-45 while forwarding the budget estimate of the undertaking for 1945-46. It is observed that even the levy of the surcharge at 55% may be perused and returned will not fetch sufficient income to the powerhouse to pay the annuity loan and to purchase spare parts for the engine sets. But the further enhancement of the surcharge may restrict the consumption of electricity and may not therefore bring in any appreciable additional income. The levy of the surcharge at 55% may therefore be agreed to and the file returned to P.W.D. 21.8.45.

21.8.45.

22.8.45

16/8/45

PWD.

P.L.D.

Please see the remarks of L.A.D above accepting the proposal to raise the var condition surcharge to 55%. A draft order sanctioning the increased rate is submitted herein for approval/signature. When the surcharge orders so far issued have

expression "for the duration of the war" was being used. Now that war has ended it seems necessary to amend that expression suitably in the orders to be issued hereafter. It is submitted that, subject to approval the expression "until further orders" has been adopted to indicate the period for which the order shall remain in force. A question has been raised and is separately under consideration as to whether sanction has ceased to have effect for the duration of the war should be read in view of the fact that war has ended Public Dept: have been consulted in this behalf and their advice is awaited.

~~3) How is another point to be considered in dealing with this case.~~ In connection with the suggestion of the Govt. of India that all orders issued under the Defence of Rules should require publicity under rule 119 of the same Rules, a question relating to the revision and review of such orders for purpose of publicity is separately under consideration in consultation with the Legal Dept. In that connection Legal Dept. suggested the following addition to the preamble to the orders to be issued in order to omit the objection of publicity required under rule 119 of the Defence of India Rules.

"and with regard to sub-rule (1) of rule 119 of the said Rules hereby directs that notice of this order shall be given by publication of the same in the

The preamble in the draft now ~~proposed~~ has been amplified by incorporating the suggested addition of Legal. ~~To address whether the draft may issue after approval.~~ Legal may, however, be consulted before issue

3/9/45

3/9/45

11/9/45

legal

D. 86. 2163 6/45-3

1-9-45

5151

LEGAL DEPARTMENT

ASSISTANT SECRETARY I
3 SEP 1945
LEGAL DEPARTMENT.

Preamble. This is in order.

Clause 3. As the A.R.P. restrictions are not in force, the words "A.R.P. restrictions" in this clause may be omitted.

No other remarks are called for.

4/9/45 S

5.9.45 P & D

P.W.D

Please see the remarks above of the Legal dept. It is suggested that the expression "A.R.P restrictions" in clause may be deleted, as these restrictions are not in force at present. Attention is, in this connection, invited to paragraph 1 of G.O. 4124 P.W. of 11.11.42 from which it will be seen that the surcharge has been allowed beyond the date of removal of A.R.P. restrictions to cover the loss

Salvage is assured. Thereafter it is submitted that there appears to be no objection to retain this expression in the draft. The same point was raised and dealt with in the case of the Periyar Vaikam Municipal Electrical undertakings and the order was issued retaining the reference to the expression in question. ~~In view of this~~ With reference to the point mentioned at X at page 4 ante Public have stated that the orders ~~of~~ remain in force until the date of the end of the War to be ~~Whether the draft may issue or whether it should be delayed till the receipt of advice from Public~~. For orders whether the draft may issue. Separate reply will be given. Date C

Clear need Service Cancellation will not be all

PW

Om no 2143 G/45-1 A 19.9.45

Subj Elec - Kollegal P. Bd

Electrical undertakings -
Sanction of financial pow

From The Executive Engr, P. Bd
Kollegal
no 1077 E/45 dt 21.7.4

Order in regard to the
increase of War Conditions Allow
have been issued in Cir Ms
2380 PW dt 12.9.45. Action

francisco to connect fresh services
The ~~[illegible]~~ executive office is unfa
vour the request cannot be granted

[illegible]

Note This is now refer
on p 6 ms [illegible]

Private 3..
1, 2-3 ms

To the [illegible]
[illegible]
This [illegible]
[illegible]
[illegible]
[